

Statement on the Death of Carl B. Albert February 5, 2000

Hillary and I were saddened today to learn of the death of Carl Albert. Carl served his country in Congress through three decades, as majority whip, majority leader, and ultimately, Speaker of the House.

Working with President Johnson, he played an invaluable role crafting the greatest effort

America had ever launched against poverty. And as the 46th Speaker, he led the House during a trying time in our Nation's history. Through it all, he kept his gaze focused on the national interest. Carl Albert was a true statesman. Our prayers go out to family and friends.

Remarks on Releasing the Fiscal Year 2001 Federal Budget February 7, 2000

Thank you, John. I really appreciate, in particular, the comment about the first draft of the State of the Union. *[Laughter]* If you look at how thick that is, you'll have some idea of how many people, believe it or not, are still mad that I didn't mention their program in the speech. *[Laughter]*

I want to thank Secretary Summers, Secretary Slater, Jack Lew, Gene Sperling, Sylvia Mathews, Martin Baily, Bruce Reed, Sally Katzen, all the people from OMB who are here who have worked so hard to put together this budget. I really do appreciate what you've done.

I still get made fun of from time to time as a policy wonk, and that's supposed to be a pejorative term. But I think if you look at the last 7 years, there's a fairly serious argument for the fact that it really does matter what you do and what the specifics are, that Government and public life are more than rhetoric. The reality eventually makes a difference. The specific decisions do count. And that's what this budget is all about.

It is a balanced budget with a balanced approach to our national priorities. It maintains our fiscal discipline, pays down the debt, extends the life of Social Security and Medicare, and invests in our families and our future.

Seven years ago, when I took office, we'd had 12 years of big deficits, a quadrupling of the national debt that had led to high interest rates and low growth. We changed the course with a new economic policy for the new economy, one focused on fiscal discipline, expanded trade, and investments in people and potential.

The new economic policy, as now we all know, has helped to create a new economy. Almost 21 million new jobs now; a 4.0 percent unemployment rate last month, the lowest in 30 years; the fastest growth in 30 years; the lowest crime and welfare rates in 30 years; the lowest poverty rates in 20 years; the highest homeownership ever; and the longest economic expansion in our history this month.

The growth has been driven by private sector investment, not public sector spending, as was the case in the previous 12 years. As a share of the economy, it is worth pointing out that Federal spending is now the smallest it has been since 1966, with the first back-to-back surpluses in 42 years. Federal deficits are last century's news. This year, according to our projections, we'll have three in a row for our surpluses, coming in at about \$167 billion. We're on the way to an achievement that only a few years ago would have been inconceivable, making America debt-free for the first time since Andrew Jackson was President in 1835.

If you look at the chart behind me, you will see the mountain of debt that built up during the 12 years before I took office and what has already been done to reverse the trend. By the end of this year, we will have paid down the debt by nearly \$300 billion. But you can also see that the debt is still high, far too high.

Now, this is the point where we have the photo op—*[laughter]*—and I attempt to show you what our budget does to the debt, eliminating it by 2013. I have practiced this in the back. *[Laughter]* When I did it in the back,

the paint spilled everywhere, and I commented that in every good effort there are still fits and starts. So let me see if I can do it. [Laughter] There is no break here. [Laughter]

There is nothing academic about that chart. Fiscal discipline matters to every single American. When the deficits disappear, interest rates fall; more Americans can then buy homes, retire student loans, start new businesses, create jobs and wealth. Indeed, our economists have estimated that lower interest rates in the last 7 years have already saved the average American about \$2,000 a year in home mortgage payments and \$200 a year in college loan and car payments.

Our budget ensures that the benefits of debt reduction will continue, and that, among other things, they will go to strengthen two of the most important guarantees we make to every American, Social Security and Medicare. It makes a critical downpayment on Social Security reform by crediting the interest savings from debt reduction attributable to the Social Security taxes to the Social Security Trust Fund. That will keep it strong, solvent, and sound for the next 50 years, which will keep it alive beyond the life expectancy of virtually all of the baby boom generation.

Today we also take in this budget significant steps to strengthen and modernize Medicare. Our budget dedicates about half the non-Social Security surplus to guarantee the soundness of Medicare and to add a long-overdue voluntary prescription drug benefit. When I became President, Medicare was projected to go broke last year, 1999. Today, it's secure until 2015, thanks to the changes that have already been made.

This budget contains further reforms, but all the experts say, with all conceivable reforms, more money will still be needed, because the number of people over 65 will double in the next 30 years. Their life expectancy will increase. We'll have miraculous new developments in medicine which will increase the quality of life, but all these things will add to the costs of health care.

Therefore, I think it is very important that we act now and say we're going to set aside a portion of this surplus for Medicare, so that when the time comes we will have already provided for the costs that we know are coming. We can extend the life of the Medicare Trust Fund until at least 2025 and add the voluntary

prescription drug benefit with this amount of dedicated funds.

The budget also provides funds, as I said, to give not only a prescription drug benefit, which more than three in five American seniors on Medicare now lack; it also creates a reserve fund of \$35 billion to protect those who carry the heavy burden of catastrophic drug costs.

This is something that I did not talk about in the State of the Union because I did not know for sure that we would have this money. But I do believe that everybody who's really analyzed this is concerned about two problems. One is that there are a whole lot of seniors—more than half—who don't have access to affordable prescription drug coverage, which at normal costs will lengthen their lives and improve its quality. And the second big problem is, some seniors have absolutely enormous bills that they have no way of paying. And we believe there ought to be some catastrophic provision, so we have set aside some funds to cover that, too, and will attempt to convince the Congress that we ought to do that as well.

The budget also helps to meet our other pressing priorities. It makes historic investments in education, from Head Start to after-school, from school construction to more and better trained teachers. It provides health care coverage for the parents of children in the Children's Health Insurance Program and allows uninsured Americans between the ages of 55 and 65, the fastest growing group of uninsured, to buy into Medicare with a tax credit to help them afford it.

It makes unprecedented investments to speed discoveries in science and technology; funds more police and tougher gun enforcement to keep the crime rate dropping, moving toward our goal of making America the safest big country in the world. It makes critical investments to keep our military the best trained and best equipped in the world. It gives many more investments to what we call America's new markets, from the inner cities to poor rural areas to Native American reservations.

This budget also offers tax cuts to America's working families to help pay for college or save for retirement; to help care for aging or disabled loved ones; to reduce the marriage penalty; to reward work and family with an expanded earned-income tax credit, and with an expanded and refundable child care tax credit.

This budget, in short, makes really strong and significant steps toward achieving the great goals that I believe America should pursue in this new century. It helps us move toward an America where every child starts school ready to learn and graduates ready to succeed; where parents are able to succeed at home and work, and no child is raised in poverty; where we meet the challenge of the aging of America; where we provide health care to all; where we make America the safest big country on Earth; bring prosperity to the communities and people who have been left behind; pay off our national debt; reverse the course of climate change; keep America leading the world in science and technology and toward peace and prosperity; and

bring our country together, at last, as one America.

This budget takes the right steps toward those goals. I hope it will be well-received in Congress and by the American people. And I thank all of you who worked on it, down to the last detail. The details make the difference, and if we can enact them, they will make all the difference for America.

Thank you very much.

NOTE: The President spoke at 10:22 a.m. in Presidential Hall in the Dwight D. Eisenhower Executive Office Building. In his remarks, he referred to White House Chief of Staff John D. Podesta, who introduced the President; and Martin N. Baily, Chairman, Council of Economic Advisers.

Message to the Congress Transmitting a Report on the National Emergency With Respect to Terrorists Who Threaten To Disrupt the Middle East Peace Process

February 7, 2000

To the Congress of the United States:

As required by section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c), and section 204(c) of the International Emergency Economic Powers Act (IEEPA), 50 U.S.C. 1703(c), I transmit herewith a 6-month periodic report on the national emergency with respect to ter-

rorists who threaten to disrupt the Middle East peace process that was declared in Executive Order 12947 of January 23, 1995.

WILLIAM J. CLINTON

The White House,
February 7, 2000.

Interview With Willow Bay of Cable News Network's "Moneyline News Hour"

February 7, 2000

Economic Prosperity

Ms. Bay. Mr. President, did you ever imagine in your most optimistic of dreams when you first took office, think that you would see a prosperity like the one we have today?

The President. The truth, I guess I didn't, because I never thought about it. I literally never thought about how long the longest expansion was in history. But what I did believe is that there was this enormous, pent-up potential in the American people because of all the

restructuring of industry that went on in the tough years in the 1980's, because of the power of technology which has only grown exponentially since I've been in office, because I thought the American people understood the global economy and were willing to work hard and not make excessive wage demands and get their pay increases as their companies grew—all that turned out to be true.

So I just thought if I could remove the Government-related obstacles to growth by getting